



BOARD MEETING AGENDA – June 24, 2019

1. Call to Order

- **NOTICE OF MEETING RECORDINGS**

Meetings of Lehigh County Authority’s Board of Directors that are held at LCA’s Main Office at 1053 Spruce Road, Wescosville, PA, may be recorded for viewing online at lehighcountauthority.org. Recordings of LCA meetings are for public convenience and internal use only and are not considered as minutes for the meeting being recorded, nor are they part of public record. Recordings may be retained or destroyed at LCA’s discretion.

- *Public Participation Sign-In Request*

2. Review of Agenda / Executive Sessions

3. Approval of Minutes

- *June 10, 2019 Board meeting minutes*

4. Public Comments

5. Action / Discussion Items:

FINANCE AND ADMINISTRATION

WATER

WASTEWATER

6. Monthly Project Updates / Information Items (1st Board meeting per month)

7. Monthly Financial Review (2nd Board meeting per month) – **May 2019 report attached**

8. Monthly System Operations Overview (2nd Board meeting per month) – **May 2019 report attached**

9. Staff Comments

10. Solicitor’s Comments

11. Public Comments / Other Comments

12. Executive Sessions

13. Adjournment

UPCOMING BOARD MEETINGS

Meetings begin at Noon at LCA’s Main Office, unless noted otherwise below.

July 8, 2019

July 22, 2019

August 12, 2019

PUBLIC PARTICIPATION POLICY

In accordance with Authority policy, members of the public shall record their name, address, and discussion item on the sign-in sheet at the start of each meeting; this information shall also be stated when addressing the meeting. During the Public Comment portions of the meeting, members of the public will be allowed 5 minutes to make comments/ask questions regarding non-agenda items, but time may be extended at the discretion of the Chair; comments/questions regarding agenda items may be addressed after the presentation of the agenda item. Members of the public may not request that specific items or language be included in the meeting minutes.

REGULAR MEETING MINUTES

June 10, 2019

The Regular Meeting of the Lehigh County Authority was called to order at 12:00 p.m. on Monday, June 10, 2019, Chairman Brian Nagle presiding. Other Members present at the commencement of the meeting were: Linda Rosenfeld, Jeff Morgan, Richard Bohner, and Norma Cusick. Authority Staff present were Brad Landon, Ed Klein, Pat Mandes, John Parsons, Chris Moughan, Todd Marion, and Lisa Miller.

Chairman Nagle announced that today's Board meeting is being videotaped and streaming live and recordings will be posted to the Authority's website.

REVIEW OF AGENDA

Brad Landon stated that there are no changes to the agenda and there will not be an Executive Session.

Scott Bieber arrived at 12:01 p.m.

APPROVAL OF MINUTES

May 20, 2019 Regular Meeting Minutes

On a motion by Richard Bohner, seconded by Norma Cusick, the Board approved the minutes of May 20, 2019 meeting (4-0). Linda Rosenfeld and Norma Cusick abstained.

PUBLIC COMMENTS

None.

ACTION AND DISCUSSION ITEMS

Resolution No. 6-2019-1 Proposing Amendment to the Authority's Articles of Incorporation

Brad Landon gave an overview and background regarding the Resolution. The Lehigh County Board of Commissioners requested a change in language regarding the Authority providing an annual report and annual public presentation to review organizational performance including financial performance, capital performance, audit performance, and other information reasonably requested by the then-current Board of Commissioners. The Staff recommended approval of Resolution No. 6-2019-1.

Ted Lyons arrived at 12:02 p.m.

On a motion by Linda Rosenfeld, seconded by Norma Cusick, the Board approved Resolution No. 6-2019-1 (7-0).

Mr. Landon informed the Board that the Resolution is on the Commissioners agenda for their June 12, 2019 meeting for a first reading. He and Liesel will be attending the meeting. The meeting will also include the submission by the County Executive of a candidate for the Authority Board member to replace Deana Zosky, who declined an additional term. The County Commissioners need to approve such appointments.

Suburban Division – Heidelberg Heights Wastewater Treatment Plant Improvements (Approval)

Chuck Volk gave an overview of the project which consists of the rehabilitation of the equalization tank at the Heidelberg Heights Wastewater Treatment Plant. A condition assessment evaluation was performed on the tank and determined the need for structural rehabilitation and coating of all exposed areas which can extend its useful life rather than be replaced. During the rehabilitation of the tank, the plant will remain in operation with no interrupted treatment of wastewater.

Mr. Volk is asking for Board approval of the Capital Project Authorization – Construction Phase in the amount of \$215,000.00 which includes the Construction Contract to JEV Construction, LLC in the amount of \$168,000.00 and the Professional Services Authorization to D'Huy Engineering in the amount of \$12,000.00.

Mr. Volk noted that there are four internal forward feed pumps that will also need to be replaced as part of the project. Linda Rosenfeld asked what the life expectancy is once the tank is repaired. Mr. Volk stated the life expectancy is 20 years but will require to be painted again in 10 years. Ted Lyons asked what type of coating is used. Mr. Volk stated that it is a sika epoxy designed to resist the corrosivity common with wastewater.

On a motion by Norma Cusick, seconded by Jeff Morgan, the Board approved the Capital Project Authorization – Construction Phase in the amount of \$215,000.00 which includes the Construction Contract to JEV Construction, LLC in the amount of \$168,000.00 and the Professional Services Authorization to D'Huy Engineering in the amount of \$12,000.00 (7-0).

MONTHLY PROJECT UPDATES / INFORMATION ITEMS

Scott Bieber asked about the status of Buss Acres Pump Station Replacement. Chuck Volk explained there was an aesthetic issue with some residents, despite the Authority's prior efforts to increase the size and density of screening, but the plan has been changed to further address these issues. Mr. Volk stated that he will be attending the Zoning Hearing Board meeting tonight at Upper Milford Township on this matter. The Planning Commission was supportive of approval of the conditional use at its meeting last week and will recommend such to the zoning hearing board.

STAFF COMMENTS

None.

SOLICITOR'S COMMENTS

None.

PUBLIC COMMENTS / OTHER COMMENTS

None.

EXECUTIVE SESSION

None.

ADJOURNMENT

There being no further business, the Chairman adjourned the meeting at 12:16 p.m.

Richard H. Bohner
Secretary

**LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS
MAY 2019**

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - SUMMARY
MAY 2019

MONTH					YEAR-TO-DATE					FULL YEAR					
Actual	Forecast	Prior Year	FC Var	PY Var	MAY 2019	Actual	Forecast	Prior Year	FC Var	PY Var	Forecast	Budget	Prior Year	Bud Var	PY Var
Income Statement															
(15,486)	(29,534)	126,935	14,048	(142,421)	Suburban Water	370,519	316,979	58,637	53,540	311,882	263,459	236,452	1,813,064	27,007	(1,549,604)
(130,675)	(141,411)	271,073	10,736	(401,748)	Suburban Wastewater	135,098	92,247	1,534	42,851	133,564	(775,612)	(969,731)	(743,133)	194,119	(32,479)
(106,635)	(113,569)	(767,005)	6,934	660,370	City Division	(493,142)	(526,671)	(1,733,129)	33,529	1,239,987	(3,706,288)	(4,036,377)	(6,134,152)	330,089	2,427,864
(252,796)	(284,514)	(368,998)	31,718	116,202	Total LCA	12,475	(117,445)	(1,672,958)	129,920	1,685,433	(4,218,441)	(4,769,656)	(5,064,221)	551,215	845,781
Cash Flow Statement															
(23,258)	(36,056)	(607,974)	12,798	584,715	Suburban Water	2,183,057	2,268,863	1,237,651	(85,806)	945,406	(9,920)	(2,378,358)	(287,896)	2,368,438	277,977
(270,464)	(393,228)	111,504	122,764	(381,968)	Suburban Wastewater	(1,447,401)	(1,797,596)	2,001,649	350,195	(3,449,050)	(1,927,176)	(3,026,596)	2,533,964	1,099,420	(4,461,140)
1,007,472	593,431	1,119,368	414,041	(111,896)	City Division	6,258,281	5,859,894	5,420,442	398,387	837,839	2,500,591	2,127,423	8,179,138	373,168	(5,678,547)
713,750	164,147	622,898	549,603	90,852	Total LCA	6,993,937	6,331,161	8,659,742	662,776	(1,665,805)	563,495	(3,277,531)	10,425,206	3,841,026	(9,861,711)
Debt Service Coverage Ratio															
1.12	1.07	1.79	0.05	(0.68)	Suburban Water	1.62	1.57	1.81	0.05	(0.19)	1.41	1.40	1.39	0.01	0.02
4.89	4.55	12.58	0.34	(7.69)	Suburban Wastewater	7.75	7.51	7.61	0.24	0.14	5.89	5.52	5.75	0.37	0.14
1.46	1.45	1.15	0.00	0.30	City Division	1.47	1.47	1.85	-	(0.37)	1.39	1.37	1.65	0.03	(0.26)

LEHIGH COUNTY AUTHORITY
MONTHLY FINANCIAL STATEMENTS - CONSOLIDATED
MAY 2019

MONTH				YEAR-TO-DATE				FULL YEAR FORECAST				
Suburban Water	Suburban Wastewater	City Division	LCA TOTAL	MAY 2019 INCOME STATEMENT	Suburban Water	Suburban Wastewater	City Division	LCA TOTAL	Suburban Water	Suburban Wastewater	City Division	LCA TOTAL
701,829	1,193,617	3,146,960	5,042,406	Operating Revenues	3,820,486	6,215,232	15,322,203	25,357,921	9,789,866	14,939,475	37,062,644	61,791,985
10,408	-	-	10,408	Charges For Services	52,959	-	-	52,959	106,937	-	-	106,937
1,621	-	44,756	46,377	Rent	26,512	-	206,845	233,357	104,048	-	540,110	644,158
<u>713,858</u>	<u>1,193,617</u>	<u>3,191,716</u>	<u>5,099,191</u>	Other Income	<u>3,899,957</u>	<u>6,215,232</u>	<u>15,529,048</u>	<u>25,644,237</u>	<u>10,000,851</u>	<u>14,939,475</u>	<u>37,602,754</u>	<u>62,543,080</u>
				Total Operating Revenues								
				Operating Expenses	425,874	220,382	2,301,854	2,948,110	1,017,672	573,993	5,623,902	7,215,567
77,966	38,525	413,757	530,248	Salaries and Wages	542,281	251,970	2,747,462	3,541,713	1,395,044	596,537	6,429,333	8,420,914
116,344	52,948	583,425	752,717	General and Administrative	175,820	165,243	898,721	1,239,784	595,183	296,793	2,091,935	2,983,911
59,123	60,995	390,940	511,058	Utilities	112,806	133,245	473,280	719,331	498,635	378,770	1,593,799	2,471,204
19,528	22,830	159,126	201,484	Materials and Supplies	973,594	2,608,255	665,379	4,247,228	2,900,539	6,563,092	1,982,739	11,446,370
189,234	573,695	132,879	895,808	Miscellaneous Services	-	1,501,744	-	1,501,744	-	3,600,000	12,000	3,612,000
-	301,743	-	301,743	Treatment & Transportation	1,145,830	1,917,635	2,450,000	5,513,465	2,749,997	4,602,324	5,880,000	13,232,321
229,166	383,527	490,000	1,102,693	Depreciation and Amortization	<u>3,376,205</u>	<u>6,798,474</u>	<u>9,536,696</u>	<u>19,711,375</u>	<u>9,157,070</u>	<u>16,611,509</u>	<u>23,613,708</u>	<u>49,382,287</u>
691,361	1,434,263	2,170,127	4,295,751	Total Operating Expenses								
<u>22,497</u>	<u>(240,646)</u>	<u>1,021,589</u>	<u>803,440</u>	Operating Income	<u>523,752</u>	<u>(583,242)</u>	<u>5,992,352</u>	<u>5,932,862</u>	<u>843,781</u>	<u>(1,672,034)</u>	<u>13,989,046</u>	<u>13,160,793</u>
				Non-Operating Revenues (Expenses)	313,075	680,741	440,794	1,434,610	467,000	809,621	327,462	1,604,083
13,980	108,465	213,832	336,277	Tapping and Capital Recovery fees	41,654	-	7,887	49,541	108,000	-	12,591	120,591
9,936	-	-	9,936	Meter Sales	28,810	-	17,675	46,485	144,000	18,751	206,680	369,431
5,000	-	7,075	12,075	Inspection and Plan Reviews	-	-	-	-	-	-	-	-
-	-	-	-	Project Reimbursements	73,997	116,910	444,659	635,566	150,131	252,532	792,828	1,195,491
14,131	24,161	115,833	154,125	Interest Income	24,685	23,388	19,960	68,033	24,000	33,140	22,727	79,867
1,866	(1,052)	4,095	4,909	Other Income	(633,570)	(87,654)	(7,308,267)	(8,029,491)	(1,472,265)	(206,699)	(18,957,099)	(20,636,063)
(82,735)	(18,423)	(1,460,584)	(1,561,742)	Interest Expense	(1,884)	(15,045)	(108,202)	(125,131)	(1,188)	(10,923)	(100,523)	(112,634)
(161)	(3,180)	(8,475)	(11,816)	Other Expense	<u>(153,233)</u>	<u>718,340</u>	<u>(6,485,494)</u>	<u>(5,920,387)</u>	<u>(580,322)</u>	<u>896,422</u>	<u>(17,695,334)</u>	<u>(17,379,234)</u>
(37,983)	109,971	(1,128,224)	(1,056,236)	Total Non-Operating Revenues (Expenses)								
(15,486)	(130,675)	(106,635)	(252,796)	Net Income Before Capital Contributions	370,519	135,098	(493,142)	12,475	263,459	(775,612)	(3,706,288)	(4,218,441)
-	-	-	-	Capital Contributions	-	-	-	-	-	-	-	-
<u>(15,486)</u>	<u>(130,675)</u>	<u>(106,635)</u>	<u>(252,796)</u>	NET INCOME	<u>370,519</u>	<u>135,098</u>	<u>(493,142)</u>	<u>12,475</u>	<u>263,459</u>	<u>(775,612)</u>	<u>(3,706,288)</u>	<u>(4,218,441)</u>

LEHIGH COUNTY AUTHORITY
MONTHLY FINANCIAL STATEMENTS - CONSOLIDATED
MAY 2019

MONTH				YEAR-TO-DATE				FULL YEAR FORECAST				
Suburban Water	Suburban Wastewater	City Division	LCA TOTAL	MAY 2019 CASH FLOW STATEMENT	Suburban Water	Suburban Wastewater	City Division	LCA TOTAL	Suburban Water	Suburban Wastewater	City Division	LCA TOTAL
713,858	1,193,617	3,191,716	5,099,191	Cash Flows From Operating Activities	3,899,957	6,215,232	15,529,048	25,644,237	10,000,851	14,939,475	37,602,754	62,543,080
(462,195)	(1,050,736)	(1,680,127)	(3,193,058)	Operating Revenues	(2,230,375)	(4,880,839)	(7,086,696)	(14,197,910)	(6,407,073)	(12,009,185)	(17,733,708)	(36,149,966)
156,135	(83,617)	(422,475)	(349,957)	Operating Expenses (ex D&A)	(560,118)	138,278	(1,459,669)	(1,881,509)	-	98,511	-	98,511
407,798	59,264	1,089,114	1,556,176	Non-Cash Working Capital Changes	1,109,464	1,472,671	6,982,683	9,564,818	3,593,778	3,028,801	19,869,046	26,491,625
				Net Cash Provided by (Used in) Operating Activities								
				Cash Flows From Financing Activities								
-	-	-	-	Lease Payments to City	-	-	-	-	-	-	-	-
-	-	-	-	Capital Contributions	-	-	-	-	-	-	-	-
-	-	-	-	Proceeds New Borrowing	-	-	-	-	-	-	-	-
(685,335)	(15,422)	-	(700,757)	Interest Payments	(738,062)	(73,400)	(5,348)	(816,810)	(1,472,485)	(205,352)	(14,961,924)	(16,639,761)
(30,133)	(40,718)	-	(70,851)	Principal Payments	(150,117)	(204,639)	-	(354,756)	(1,713,746)	(481,430)	-	(2,195,176)
(715,468)	(56,140)	-	(771,608)	Net Cash Provided by (Used in) Financing Activities	(888,179)	(278,039)	(5,348)	(1,171,566)	(3,186,231)	(686,782)	(14,961,924)	(18,834,937)
				Cash Flows from Capital and Related Activities								
30,782	107,413	225,002	363,197	Non-Operating Revenues	408,224	704,129	486,316	1,598,669	743,000	861,512	569,460	2,173,972
-	-	-	-	Project Reimbursement	-	-	-	-	-	-	-	-
-	-	3,500	3,500	Non-Operating Expenses	-	(92)	(258,931)	(259,023)	-	-	(524,862)	(524,862)
(217,866)	(654,340)	(425,977)	(1,298,183)	Capital Expenditures	(1,006,782)	(1,699,960)	(1,391,098)	(4,097,840)	(7,901,319)	(8,871,219)	(3,243,957)	(20,016,495)
(187,084)	(546,927)	(197,475)	(931,486)	Net Cash Provided By (Used In) Capital and Related Activities	(598,558)	(995,923)	(1,163,713)	(2,758,194)	(7,158,319)	(8,009,707)	(3,199,359)	(18,367,385)
				Cash Flows From Investing Activities								
673,942	756,127	-	1,430,069	Investments Converting To Cash	3,840,140	2,848,593	-	6,688,733	7,040,134	3,504,618	-	10,544,752
(216,577)	(506,949)	-	(723,526)	Purchased Investments	(1,353,807)	(4,611,613)	-	(5,965,420)	(449,413)	(16,638)	-	(466,051)
14,131	24,161	115,833	154,125	Interest Income	73,997	116,910	444,659	635,566	150,131	252,532	792,828	1,195,491
471,496	273,339	115,833	860,668	Net Cash Provided By (Used In) Investing Activities	2,560,330	(1,646,110)	444,659	1,358,879	6,740,852	3,740,512	792,828	11,274,192
(23,258)	(270,464)	1,007,472	713,750	FUND NET CASH FLOWS	2,183,057	(1,447,401)	6,258,281	6,993,937	(9,920)	(1,927,176)	2,500,591	563,495
				DEBT SERVICE RATIO								
296,576	274,455	1,813,876	2,384,907	Total Cash Available For Debt Service	2,151,803	2,155,432	9,185,109	13,492,344	4,486,909	4,044,334	20,833,142	29,364,385
265,519	56,140	1,246,381	1,568,040	Debt Service	1,327,595	278,039	6,231,905	7,837,539	3,186,231	686,782	14,956,576	18,829,589
1.12	4.89	1.46	1.52	DSCR	1.62	7.75	1.47	1.72	1.41	5.89	1.39	1.56

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - SUBURBAN WATER
MAY 2019

MONTH					MAY 2019					YEAR-TO-DATE					FULL YEAR				
Actual	Forecast	Prior Yr	FC Var	PY Var	INCOME STATEMENT					Actual	Forecast	Prior Yr	FC Var	PY Var	Forecast	Budget	Prior Yr	Bud Var	PY Var
Operating Revenues																			
701,829	712,023	753,280	(10,194)	(51,451)	Charges For Services	3,820,486	3,824,806	3,669,198	(4,320)	151,288	9,789,866	9,772,570	9,140,848	17,296	649,018				
10,408	8,000	7,117	2,408	3,291	Rent	52,959	50,937	35,238	2,022	17,721	106,937	87,860	98,405	19,077	8,532				
1,621	2,000	2,215	(379)	(594)	Other Income	26,512	26,048	64,198	464	(37,686)	104,048	129,158	109,632	(25,110)	(5,584)				
713,858	722,023	762,612	(8,165)	(48,754)	Total Operating Revenues	3,899,957	3,901,791	3,768,634	(1,834)	131,323	10,000,851	9,989,588	9,348,885	11,263	651,966				
Operating Expenses																			
77,966	79,490	79,816	1,524	1,850	Salaries and Wages	425,874	428,238	458,284	2,364	32,410	1,017,672	1,020,940	1,037,882	3,268	20,210				
116,344	120,700	75,113	4,356	(41,231)	General and Administrative	542,281	550,144	485,392	7,863	(56,889)	1,395,044	1,399,959	1,261,241	4,915	(133,803)				
59,123	61,000	46,815	1,877	(12,308)	Utilities	175,820	179,183	200,895	3,363	25,075	595,183	592,750	437,253	(2,433)	(157,930)				
19,528	24,048	19,372	4,520	(156)	Materials and Supplies	112,806	121,295	89,970	8,489	(22,836)	498,635	504,580	294,937	5,945	(203,698)				
189,234	191,437	165,999	2,203	(23,235)	Miscellaneous Services	973,594	979,474	818,827	5,880	(154,767)	2,900,539	2,905,325	2,703,594	4,786	(196,945)				
-	-	-	-	-	Treatment & Transportation	-	-	-	-	-	-	-	-	-	-				
229,166	229,167	245,832	1	16,666	Depreciation and Amortization	1,145,830	1,145,832	1,229,160	2	83,330	2,749,997	2,750,000	2,768,133	3	18,136				
691,361	705,842	632,948	14,481	(58,413)	Total Operating Expenses	3,376,205	3,404,166	3,282,528	27,961	(93,677)	9,157,070	9,173,554	8,503,041	16,484	(654,029)				
22,497	16,181	129,664	6,316	(107,167)	Operating Income	523,752	497,625	486,106	26,127	37,646	843,781	816,034	845,845	27,747	(2,063)				
Non-Operating Revenues (Expenses)																			
13,980	19,500	53,335	(5,520)	(39,355)	Tapping and Capital Recovery fees	313,075	299,785	96,785	13,290	216,290	467,000	467,000	221,405	-	245,595				
9,936	5,000	8,615	4,936	1,321	Meter Sales	41,654	30,923	26,709	10,731	14,945	108,000	108,000	85,259	-	22,741				
5,000	1,000	30,289	4,000	(25,289)	Inspection and Plan Reviews	28,810	22,760	38,670	6,050	(9,860)	144,000	144,000	183,148	-	(39,148)				
-	-	27,779	-	(27,779)	Project Reimbursements	-	-	27,779	-	(27,779)	-	-	(0)	-	0				
14,131	12,000	9,327	2,131	4,804	Interest Income	73,997	66,131	45,269	7,866	28,728	150,131	144,000	255,438	6,131	(105,307)				
1,866	-	1,230	1,866	636	Other Income	24,685	18,703	9,210	5,982	15,475	24,000	24,000	86,971	-	(62,971)				
(82,735)	(83,215)	(132,890)	480	50,155	Interest Expense	(633,570)	(617,760)	(670,637)	(15,810)	37,067	(1,472,265)	(1,466,582)	(1,576,659)	(5,683)	104,394				
(161)	-	(414)	(161)	253	Other Expense	(1,884)	(1,188)	(1,254)	(696)	(630)	(1,188)	-	(82,141)	(1,188)	80,953				
(37,983)	(45,715)	(2,729)	7,732	(35,254)	Total Non-Operating Revenues (Expenses)	(153,233)	(180,646)	(427,469)	27,413	274,236	(580,322)	(579,582)	(826,579)	(740)	246,257				
(15,486)	(29,534)	126,935	14,048	(142,421)	Net Income Before Capital Contributions	370,519	316,979	58,637	53,540	311,882	263,459	236,452	19,266	27,007	244,194				
-	-	-	-	-	Capital Contributions	-	-	-	-	-	-	-	1,793,798	-	(1,793,798)				
(15,486)	(29,534)	126,935	14,048	(142,421)	NET INCOME	370,519	316,979	58,637	53,540	311,882	263,459	236,452	1,813,064	27,007	(1,549,604)				

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - SUBURBAN WATER
MAY 2019

MONTH					MAY 2019					YEAR-TO-DATE					FULL YEAR					
Actual	Forecast	Prior Yr	FC Var	PY Var	CASH FLOW STATEMENT					Actual	Forecast	Prior Yr	FC Var	PY Var	Forecast	Budget	Prior Yr	Bud Var	PY Var	
Cash Flows From Operating Activities																				
713,858	722,023	762,612	(8,165)	(48,754)	Operating Revenues	3,899,957	3,901,791	3,768,634	(1,834)	131,323	10,000,851	9,989,588	9,348,885	11,263	651,966					
(462,195)	(476,675)	(387,116)	14,480	(75,079)	Operating Expenses (ex D&A)	(2,230,375)	(2,258,334)	(2,053,368)	27,959	(177,007)	(6,407,073)	(6,423,554)	(5,734,908)	16,481	(672,165)					
156,135	150,000	(285,965)	6,135	442,100	Non-Cash Working Capital Changes	(560,118)	(565,940)	(146,533)	5,822	(413,585)	-	-	(5,441,123)	-	5,441,123					
407,798	395,348	89,531	12,450	318,267	Net Cash Provided by (Used in) Operating Activities	1,109,464	1,077,517	1,568,733	31,947	(459,269)	3,593,778	3,566,034	(1,827,145)	27,744	5,420,924					
Cash Flows From Financing Activities																				
-	-	-	-	-	Capital Contributions	-	-	-	-	-	-	-	-	-	-					
-	-	-	-	-	Proceeds New Borrowing	-	-	-	-	-	-	-	-	-	-					
(685,335)	(684,215)	(132,890)	(1,120)	(552,445)	Interest Payments	(738,062)	(736,479)	(670,637)	(1,583)	(67,425)	(1,472,485)	(1,466,582)	(1,508,149)	(5,903)	35,664					
(30,133)	(30,760)	(83,856)	627	53,723	Principal Payments	(150,117)	(150,744)	(704,580)	627	554,463	(1,713,746)	(1,725,120)	(1,693,208)	11,374	(20,538)					
(715,468)	(714,975)	(216,746)	(493)	(498,722)	Net Cash Provided by (Used in) Financing Activities	(888,179)	(887,223)	(1,375,217)	(956)	487,038	(3,186,231)	(3,191,702)	(3,201,357)	5,471	15,126					
Cash Flows from Capital and Related Activities																				
30,782	25,500	93,469	5,282	(62,687)	Non-Operating Revenues	408,224	372,171	171,374	36,053	236,850	743,000	743,000	576,783	-	166,217					
-	-	27,779	-	(27,779)	Project Reimbursement	-	-	27,779	-	(27,779)	-	-	(0)	-	0					
-	-	-	-	-	Non-Operating Expenses	-	-	-	-	-	-	-	(82,142)	-	82,142					
(217,866)	(211,500)	(611,334)	(6,366)	393,468	Capital Expenditures	(1,006,782)	(827,459)	(1,222,297)	(179,323)	215,515	(7,901,319)	(10,210,540)	(5,348,970)	2,309,221	(2,552,349)					
(187,084)	(186,000)	(490,086)	(1,084)	303,002	Net Cash Provided By (Used In) Capital and Related Activities	(598,558)	(455,288)	(1,023,144)	(143,270)	424,586	(7,158,319)	(9,467,540)	(4,854,329)	2,309,221	(2,303,990)					
Cash Flows From Investing Activities																				
673,942	672,571	-	1,371	673,942	Investments Converting To Cash	3,840,140	3,832,139	2,022,010	8,001	1,818,130	7,040,134	6,570,850	11,501,487	469,284	(4,461,353)					
(216,577)	(215,000)	-	(1,577)	(216,577)	Purchased Investments	(1,353,807)	(1,364,413)	-	10,606	(1,353,807)	(449,413)	-	(2,161,990)	(449,413)	1,712,577					
14,131	12,000	9,327	2,131	4,804	Interest Income	73,997	66,131	45,269	7,866	28,728	150,131	144,000	255,438	6,131	(105,307)					
471,496	469,571	9,327	1,925	462,169	Net Cash Provided By (Used In) Investing Activities	2,560,330	2,533,857	2,067,279	26,473	493,051	6,740,852	6,714,850	9,594,935	26,002	(2,854,083)					
(23,258)	(36,056)	(607,974)	12,798	584,715	FUND NET CASH FLOWS	2,183,057	2,268,863	1,237,651	(85,806)	945,406	(9,920)	(2,378,358)	(287,896)	2,368,438	277,977					
DEBT SERVICE RATIO																				
296,576	282,848	478,292	13,728	(181,716)	Total Cash Available For Debt Service	2,151,803	2,081,759	1,931,909	70,044	219,894	4,486,909	4,453,034	4,446,199	33,875	40,710					
265,519	265,519	266,780	-	(1,261)	Debt Service	1,327,595	1,327,595	1,067,120	-	260,475	3,186,231	3,191,702	3,201,357	(5,471)	(15,126)					
1.12	1.07	1.79	0.05	(0.68)	DSCR	1.62	1.57	1.81	0.05	(0.19)	1.41	1.40	1.39	0.01	0.02					

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - SUBURBAN WATER
MAY 2019

FORECAST VARIANCES - MONTH

INCOME STATEMENT	Actual	Forecast	Variance	Comments
Operating Revenues				
Charges For Services	701,829	712,023	(10,194)	
Rent	10,408	8,000	2,408	
Other Income	1,621	2,000	(379)	
Total Operating Revenues	<u>713,858</u>	<u>722,023</u>	<u>(8,165)</u>	
Operating Expenses				
Salaries and Wages	77,966	79,490	1,524	
General and Administrative	116,344	120,700	4,356	
Utilities	59,123	61,000	1,877	
Materials and Supplies	19,528	24,048	4,520	
Miscellaneous Services	189,234	191,437	2,203	
Treatment & Transportation	-	-	-	
Depreciation and Amortization	229,166	229,167	1	
Total Operating Expenses	<u>691,361</u>	<u>705,842</u>	<u>14,481</u>	
Operating Income	<u>22,497</u>	<u>16,181</u>	<u>6,316</u>	
Non-Operating Revenues (Expenses)				
Tapping and Capital Recovery fees	13,980	19,500	(5,520)	
Meter Sales	9,936	5,000	4,936	
Inspection and Plan Reviews	5,000	1,000	4,000	
Project Reimbursements	-	-	-	
Interest Income	14,131	12,000	2,131	
Other Income	1,866	-	1,866	
Interest Expense	(82,735)	(83,215)	480	
Other Expense	(161)	-	(161)	
Total Non-Operating Revenues (Expenses)	<u>(37,983)</u>	<u>(45,715)</u>	<u>7,732</u>	
Net Income Before Capital Contributions	<u>(15,486)</u>	<u>(29,534)</u>	<u>14,048</u>	
Capital Contributions	<u>-</u>	<u>-</u>	<u>-</u>	
NET INCOME	<u>(15,486)</u>	<u>(29,534)</u>	<u>14,048</u>	Higher non-operating revenues and lower operating expenses to offset slightly lower operating revenues

FORECAST VARIANCES - MONTH

CASH FLOW STATEMENT	Actual	Forecast	Variance	Comments
Cash Flows From Operating Activities				
Operating Revenues	713,858	722,023	(8,165)	
Operating Expenses (ex D&A)	(462,195)	(476,675)	14,480	
Non-Cash Working Capital Changes	156,135	150,000	6,135	
Net Cash Provided by (Used in) Operating Activities	<u>407,798</u>	<u>395,348</u>	<u>12,450</u>	
Cash Flows From Financing Activities				
Capital Contributions	-	-	-	
Proceeds New Borrowing	-	-	-	
Interest Payments	(685,335)	(684,215)	(1,120)	
Principal Payments	(30,133)	(30,760)	627	
Net Cash Provided by (Used in) Financing Activities	<u>(715,468)</u>	<u>(714,975)</u>	<u>(493)</u>	
Cash Flows from Capital and Related Activities				
Non-Operating Revenues	30,782	25,500	5,282	
Project Reimbursement	-	-	-	
Non-Operating Expenses	-	-	-	
Capital Expenditures	(217,866)	(211,500)	(6,366)	Unfavorable timing effect on project spending
Net Cash Provided By (Used In) Capital and Related Activities	<u>(187,084)</u>	<u>(186,000)</u>	<u>(1,084)</u>	
Cash Flows From Investing Activities				
Investments Converting To Cash	673,942	672,571	1,371	
Purchased Investments	(216,577)	(215,000)	(1,577)	
Interest Income	14,131	12,000	2,131	
Net Cash Provided By (Used In) Investing Activities	<u>471,496</u>	<u>469,571</u>	<u>1,925</u>	
FUND NET CASH FLOWS	<u>(23,258)</u>	<u>(36,056)</u>	<u>12,798</u>	Higher cash provided by operations and favorable investment activity partially offset by unfavorable timing on project spending

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - SUBURBAN WASTEWATER
MAY 2019

MONTH					MAY 2019					YEAR-TO-DATE					FULL YEAR					
Actual	Forecast	Prior Yr	FC Var	PY Var	INCOME STATEMENT					Actual	Forecast	Prior Yr	FC Var	PY Var	Forecast	Budget	Prior Yr	Bud Var	PY Var	
1,193,617	1,190,838	1,310,353	2,779	(116,736)	Operating Revenues					6,215,232	6,172,611	5,895,215	42,621	320,017	14,939,475	14,905,873	14,023,121	33,602	916,354	
-	-	-	-	-	Charges For Services					-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	Rent					-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	Other Income					-	-	-	-	-	-	-	-	-	-	-
1,193,617	1,190,838	1,310,353	2,779	(116,736)	Total Operating Revenues					6,215,232	6,172,611	5,895,215	42,621	320,017	14,939,475	14,905,873	14,023,121	33,602	916,354	
38,525	44,000	31,677	5,475	(6,848)	Operating Expenses					220,382	225,993	165,419	5,611	(54,963)	573,993	420,095	462,145	(153,898)	(111,848)	
52,948	50,000	26,283	(2,948)	(26,665)	Salaries and Wages					251,970	246,537	155,135	(5,433)	(96,835)	596,537	474,363	511,800	(122,174)	(84,737)	
60,995	60,000	24,551	(995)	(36,444)	General and Administrative					165,243	156,793	102,975	(8,450)	(62,268)	296,793	338,035	290,201	41,242	(6,592)	
22,830	26,699	14,187	3,869	(8,643)	Utilities					133,245	137,891	55,223	4,646	(78,022)	378,770	459,324	295,370	80,554	(83,400)	
573,695	578,910	585,765	5,215	12,070	Materials and Supplies					2,608,255	2,615,718	2,609,029	7,463	774	6,563,092	7,688,121	6,175,835	1,125,029	(387,257)	
301,743	300,000	134,737	(1,743)	(167,006)	Miscellaneous Services					1,501,744	1,500,000	1,119,885	(1,744)	(381,859)	3,600,000	2,649,555	3,544,003	(950,445)	(55,997)	
383,527	383,527	397,865	-	14,338	Treatment & Transportation					1,917,635	1,917,635	1,989,325	-	71,690	4,602,324	4,540,765	4,490,397	(61,559)	(111,927)	
1,434,263	1,443,136	1,215,066	8,873	(219,197)	Depreciation and Amortization					6,798,474	6,800,567	6,196,991	2,093	(601,483)	16,611,509	16,570,258	15,769,751	(41,251)	(841,758)	
(240,646)	(252,298)	95,287	11,652	(335,933)	Total Operating Expenses					(583,242)	(627,956)	(301,776)	44,714	(281,466)	(1,672,034)	(1,664,385)	(1,746,630)	(7,649)	74,596	
					Operating Income															
108,465	105,000	111,457	3,465	(2,992)	Non-Operating Revenues (Expenses)					680,741	674,621	305,202	6,120	375,539	809,621	800,000	523,626	9,621	285,995	
-	-	-	-	-	Tapping and Capital Recovery fees					-	-	-	-	-	-	-	-	-	-	-
-	2,083	(189)	(2,083)	189	Meter Sales					-	4,166	311	(4,166)	(311)	18,751	25,000	38,363	(6,249)	(19,612)	
-	-	-	-	-	Inspection and Plan Reviews					-	-	-	-	-	-	-	-	-	-	-
24,161	20,000	83,309	4,161	(59,148)	Project Reimbursements					116,910	112,532	84,316	4,378	32,594	252,532	75,000	217,721	177,532	34,811	
(1,052)	1,000	560	(2,052)	(1,612)	Interest Income					23,388	26,140	860	(2,752)	22,528	33,140	1,000	394,585	32,140	(361,445)	
(18,423)	(17,196)	(16,953)	(1,227)	(1,470)	Other Income					(87,654)	(86,333)	(84,980)	(1,321)	(2,674)	(206,699)	(206,346)	(197,000)	(353)	(9,699)	
(3,180)	-	(2,399)	(3,180)	(781)	Interest Expense					(15,045)	(10,923)	(2,399)	(4,122)	(12,646)	(10,923)	-	(8,692)	(10,923)	(2,231)	
109,971	110,887	175,785	(916)	(65,814)	Other Expense					718,340	720,203	303,310	(1,863)	415,030	896,422	694,654	968,603	201,768	(72,181)	
					Total Non-Operating Revenues (Expenses)															
(130,675)	(141,411)	271,073	10,736	(401,748)	Net Income Before Capital Contributions					135,098	92,247	1,534	42,851	133,564	(775,612)	(969,731)	(778,027)	194,119	2,415	
-	-	-	-	-	Capital Contributions					-	-	-	-	-	-	-	34,894	-	(34,894)	
(130,675)	(141,411)	271,073	10,736	(401,748)	NET INCOME					135,098	92,247	1,534	42,851	133,564	(775,612)	(969,731)	(743,133)	194,119	(32,479)	

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - SUBURBAN WASTEWATER
MAY 2019

MONTH					MAY 2019					YEAR-TO-DATE					FULL YEAR					
Actual	Forecast	Prior Yr	FC Var	PY Var	CASH FLOW STATEMENT					Actual	Forecast	Prior Yr	FC Var	PY Var	Forecast	Budget	Prior Yr	Bud Var	PY Var	
					Cash Flows From Operating Activities															
1,193,617	1,190,838	1,310,353	2,779	(116,736)	Operating Revenues	6,215,232	6,172,611	5,895,215	42,621	320,017	14,939,475	14,905,873	14,023,121	33,602	916,354					
(1,050,736)	(1,059,609)	(817,201)	8,873	(233,535)	Operating Expenses (ex D&A)	(4,880,839)	(4,882,932)	(4,207,666)	2,093	(673,173)	(12,009,185)	(12,029,493)	(11,279,354)	20,308	(729,831)					
(83,617)	(75,000)	(407,844)	(8,617)	324,227	Non-Cash Working Capital Changes	138,278	138,511	(411,511)	(233)	549,789	98,511	-	2,166,774	98,511	(2,068,263)					
59,264	56,229	85,308	3,035	(26,044)	Net Cash Provided by (Used in) Operating Activities	1,472,671	1,428,190	1,276,038	44,481	196,633	3,028,801	2,876,380	4,910,541	152,421	(1,881,740)					
					Cash Flows From Financing Activities															
-	-	-	-	-	Capital Contributions	-	-	-	-	-	-	-	-	-	-					
-	-	-	-	-	Proceeds New Borrowing	-	-	-	-	-	-	-	-	-	-					
(15,422)	(17,196)	(14,412)	1,774	(1,010)	Interest Payments	(73,400)	(77,986)	(72,221)	4,586	(1,179)	(205,352)	(206,346)	(197,000)	994	(8,352)					
(40,718)	(39,844)	(40,295)	(874)	(423)	Principal Payments	(204,639)	(202,520)	(200,764)	(2,119)	(3,875)	(481,430)	(478,130)	(484,839)	(3,300)	3,409					
(56,140)	(57,040)	(54,707)	900	(1,433)	Net Cash Provided by (Used in) Financing Activities	(278,039)	(280,506)	(272,985)	2,467	(5,054)	(686,782)	(684,476)	(681,839)	(2,306)	(4,943)					
					Cash Flows from Capital and Related Activities															
107,413	108,083	111,828	(670)	(4,415)	Non-Operating Revenues	704,129	704,927	306,373	(798)	397,756	861,512	826,000	956,574	35,512	(95,062)					
-	-	-	-	-	Project Reimbursement	-	-	-	-	-	-	-	-	-	-					
-	-	-	-	-	Non-Operating Expenses	(92)	-	-	(92)	(92)	-	-	(8,692)	-	8,692					
(654,340)	(770,500)	(114,235)	116,160	(540,105)	Capital Expenditures	(1,699,960)	(2,000,719)	(372,093)	300,759	(1,327,867)	(8,871,219)	(9,619,500)	(2,687,185)	748,281	(6,184,034)					
(546,927)	(662,417)	(2,407)	115,490	(544,520)	Net Cash Provided By (Used In) Capital and Related Activities	(995,923)	(1,295,792)	(65,720)	299,869	(930,203)	(8,009,707)	(8,793,500)	(1,739,303)	783,793	(6,270,404)					
					Cash Flows From Investing Activities															
756,127	750,000	-	6,127	756,127	Investments Converting To Cash	2,848,593	2,504,618	980,000	343,975	1,868,593	3,504,618	3,500,000	5,445,346	4,618	(1,940,728)					
(506,949)	(500,000)	-	(6,949)	(506,949)	Purchased Investments	(4,611,613)	(4,266,638)	-	(344,975)	(4,611,613)	(16,638)	-	(5,618,502)	(16,638)	5,601,864					
24,161	20,000	83,309	4,161	(59,148)	Interest Income	116,910	112,532	84,316	4,378	32,594	252,532	75,000	217,721	177,532	34,811					
273,339	270,000	83,309	3,339	190,030	Net Cash Provided By (Used In) Investing Activities	(1,646,110)	(1,649,488)	1,064,316	3,378	(2,710,426)	3,740,512	3,575,000	44,565	165,512	3,695,947					
(270,464)	(393,228)	111,504	122,764	(381,968)	FUND NET CASH FLOWS	(1,447,401)	(1,797,596)	2,001,649	350,195	(3,449,050)	(1,927,176)	(3,026,596)	2,533,964	1,099,420	(4,461,140)					
					DEBT SERVICE RATIO															
274,455	259,312	688,289	15,143	(413,834)	Total Cash Available For Debt Service	2,155,432	2,107,138	2,078,238	48,294	77,194	4,044,334	3,777,380	3,918,062	266,954	126,272					
56,140	57,040	54,707	(900)	1,433	Debt Service	278,039	280,506	272,985	(2,467)	5,054	686,782	684,476	681,839	2,306	4,943					
4.89	4.55	12.58	0.34	(7.69)	DSCR	7.75	7.51	7.61	0.24	0.14	5.89	5.52	5.75	0.37	0.14					

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - SUBURBAN WASTEWATER
MAY 2019

FORECAST VARIANCES - MONTH

INCOME STATEMENT	Actual	Forecast	Variance	Comments
Operating Revenues				
Charges For Services	1,193,617	1,190,838	2,779	
Rent	-	-	-	
Other Income	-	-	-	
Total Operating Revenues	1,193,617	1,190,838	2,779	
Operating Expenses				
Salaries and Wages	38,525	44,000	5,475	
General and Administrative	52,948	50,000	(2,948)	
Utilities	60,995	60,000	(995)	
Materials and Supplies	22,830	26,699	3,869	
Miscellaneous Services	573,695	578,910	5,215	
Treatment & Transportation	301,743	300,000	(1,743)	
Depreciation and Amortization	383,527	383,527	-	
Total Operating Expenses	1,434,263	1,443,136	8,873	
Operating Income	(240,646)	(252,298)	11,652	
Non-Operating Revenues (Expenses)				
Tapping and Capital Recovery fees	108,465	105,000	3,465	
Meter Sales	-	-	-	
Inspection and Plan Reviews	-	2,083	(2,083)	
Project Reimbursements	-	-	-	
Interest Income	24,161	20,000	4,161	
Other Income	(1,052)	1,000	(2,052)	
Interest Expense	(18,423)	(17,196)	(1,227)	
Other Expense	(3,180)	-	(3,180)	
Total Non-Operating Revenues (Expenses)	109,971	110,887	(916)	
Net Income Before Capital Contributions	(130,675)	(141,411)	10,736	
Capital Contributions	-	-	-	
NET INCOME	(130,675)	(141,411)	10,736	Slightly higher operating revenues along with lower operating expenses

FORECAST VARIANCES - MONTH

CASH FLOW STATEMENT	Actual	Forecast	Variance	Comments
Cash Flows From Operating Activities				
Operating Revenues	1,193,617	1,190,838	2,779	
Operating Expenses (ex D&A)	(1,050,736)	(1,059,609)	8,873	
Non-Cash Working Capital Changes	(83,617)	(75,000)	(8,617)	
Net Cash Provided by (Used in) Operating Activities	59,264	56,229	3,035	
Cash Flows From Financing Activities				
Capital Contributions	-	-	-	
Proceeds New Borrowing	-	-	-	
Interest Payments	(15,422)	(17,196)	1,774	
Principal Payments	(40,718)	(39,844)	(874)	
Net Cash Provided by (Used in) Financing Activities	(56,140)	(57,040)	900	
Cash Flows from Capital and Related Activities				
Non-Operating Revenues	107,413	108,083	(670)	
Project Reimbursement	-	-	-	
Non-Operating Expenses	-	-	-	
Capital Expenditures	(654,340)	(770,500)	116,160	Lower Capex - Timing
Net Cash Provided By (Used In) Capital and Related Activities	(546,927)	(662,417)	115,490	
Cash Flows From Investing Activities				
Investments Converting To Cash	756,127	750,000	6,127	
Purchased Investments	(506,949)	(500,000)	(6,949)	
Interest Income	24,161	20,000	4,161	
Net Cash Provided By (Used In) Investing Activities	273,339	270,000	3,339	
FUND NET CASH FLOWS	(270,464)	(393,228)	122,764	Due to lower capex

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - CITY DIVISION
MAY 2019

MONTH					MAY 2019					YEAR-TO-DATE					FULL YEAR					
Actual	Forecast	Prior Yr	FC Var	PY Var	INCOME STATEMENT					Actual	Forecast	Prior Yr	FC Var	PY Var	Forecast	Budget	Prior Yr	Bud Var	PY Var	
3,146,960	3,148,965	2,416,066	(2,005)	730,895	Operating Revenues					15,322,203	15,319,905	13,985,676	2,298	1,336,527	37,062,644	37,022,206	36,450,498	40,438	612,146	
-	-	-	-	-	Charges For Services					-	-	-	-	-	-	-	-	-	-	-
44,756	38,309	49,160	6,447	(4,404)	Rent					-	-	-	-	-	-	-	-	-	-	-
3,191,716	3,187,274	2,465,225	4,442	726,491	Other Income					206,845	199,949	271,010	6,896	(64,165)	540,110	567,706	357,112	(27,596)	182,998	
					Total Operating Revenues					15,529,048	15,519,854	14,256,686	9,194	1,272,362	37,602,754	37,589,912	36,807,610	12,842	795,144	
413,757	407,420	432,545	(6,337)	18,788	Operating Expenses					2,301,854	2,301,963	2,270,568	109	(31,286)	5,623,902	5,653,796	5,417,629	29,894	(206,273)	
583,425	584,610	491,020	1,185	(92,405)	Salaries and Wages					2,747,462	2,747,069	2,593,653	(393)	(153,809)	6,429,333	6,407,601	6,792,863	(21,732)	363,530	
390,940	386,605	165,868	(4,335)	(225,072)	General and Administrative					898,721	896,305	833,093	(2,416)	(65,628)	2,091,935	2,095,255	1,970,383	3,320	(121,552)	
159,126	158,227	104,764	(899)	(54,362)	Utilities					473,280	470,999	401,763	(2,281)	(71,517)	1,593,799	1,597,216	1,197,148	3,417	(396,651)	
132,879	137,231	85,750	4,352	(47,129)	Materials and Supplies					665,379	676,190	436,483	10,811	(228,896)	1,982,739	1,988,845	1,801,414	6,106	(181,325)	
-	-	-	-	-	Miscellaneous Services					-	-	-	-	-	12,000	12,000	9,827	-	(2,173)	
490,000	490,000	466,667	-	(23,333)	Treatment & Transportation					2,450,000	2,450,000	2,333,335	-	(116,665)	5,880,000	5,880,000	5,864,433	-	(15,567)	
2,170,127	2,164,093	1,746,615	(6,034)	(423,512)	Depreciation and Amortization					9,536,696	9,542,526	8,868,895	5,830	(667,801)	23,613,708	23,634,713	23,053,697	21,005	(560,011)	
					Total Operating Expenses					5,992,352	5,977,328	5,387,791	15,024	604,561	13,989,046	13,955,199	13,753,913	33,847	235,133	
1,021,589	1,023,181	718,611	(1,592)	302,978	Operating Income					440,794	434,962	153,073	5,832	287,721	327,462	324,000	563,922	3,462	(236,460)	
-	-	-	-	-	Non-Operating Revenues (Expenses)					7,887	7,591	4,588	296	3,299	12,591	12,000	8,397	591	4,194	
213,832	208,000	28,516	5,832	185,316	Tapping and Capital Recovery fees					17,675	16,517	16,195	1,158	1,480	206,680	207,000	539,698	(320)	(333,018)	
-	-	272	-	(272)	Meter Sales					-	-	-	-	-	-	1,645,000	372,527	(1,645,000)	(372,527)	
7,075	5,250	9,050	1,825	(1,975)	Inspection and Plan Reviews					444,659	442,828	259,240	1,831	185,419	792,828	400,000	1,047,630	392,828	(254,802)	
-	-	-	-	-	Project Reimbursements					19,960	11,725	18,590	8,235	1,370	22,727	22,000	200,818	727	(178,091)	
115,833	115,000	63,481	833	52,352	Interest Income					(7,308,267)	(7,317,099)	(7,013,670)	8,832	(294,597)	(18,957,099)	(18,956,576)	(18,810,413)	(523)	(146,686)	
4,095	-	3,755	4,095	340	Other Income					(108,202)	(100,523)	(558,936)	(7,679)	450,734	(100,523)	(1,645,000)	(3,810,644)	1,544,477	3,710,121	
(1,460,584)	(1,465,000)	(1,402,734)	4,416	(57,850)	Interest Expense					(6,485,494)	(6,503,999)	(7,120,920)	18,505	635,426	(17,695,334)	(17,991,576)	(19,888,065)	296,242	2,192,731	
(8,475)	-	(187,956)	(8,475)	179,481	Other Expense															
(1,128,224)	(1,136,750)	(1,485,616)	8,526	357,392	Total Non-Operating Revenues (Expenses)															
(106,635)	(113,569)	(767,005)	6,934	660,370	Net Income Before Capital Contributions					(493,142)	(526,671)	(1,733,129)	33,529	1,239,987	(3,706,288)	(4,036,377)	(6,134,152)	330,089	2,427,864	
-	-	-	-	-	Capital Contributions					-	-	-	-	-	-	-	-	-	-	-
(106,635)	(113,569)	(767,005)	6,934	660,370	NET INCOME					(493,142)	(526,671)	(1,733,129)	33,529	1,239,987	(3,706,288)	(4,036,377)	(6,134,152)	330,089	2,427,864	

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - CITY DIVISION
MAY 2019

MONTH					MAY 2019					YEAR-TO-DATE					FULL YEAR				
Actual	Forecast	Prior Yr	FC Var	PY Var	CASH FLOW STATEMENT					Actual	Forecast	Prior Yr	FC Var	PY Var	Forecast	Budget	Prior Yr	Bud Var	PY Var
					Cash Flows From Operating Activities														
3,191,716	3,187,274	2,465,225	4,442	726,491	Operating Revenues	15,529,048	15,519,854	14,256,686	9,194	1,272,362	37,602,754	37,589,912	36,807,610	12,842	795,144				
(1,680,127)	(1,674,093)	(1,279,948)	(6,034)	(400,179)	Operating Expenses (ex D&A)	(7,086,696)	(7,092,526)	(6,535,560)	5,830	(551,136)	(17,733,708)	(17,754,713)	(17,189,264)	21,005	(544,444)				
(422,475)	(425,000)	161,229	2,525	(583,704)	Non-Cash Working Capital Changes	(1,459,669)	(1,461,321)	(1,177,003)	1,652	(282,666)	-	-	3,795,284	-	(3,795,284)				
1,089,114	1,088,181	1,346,507	933	(257,393)	Net Cash Provided by (Used in) Operating Activities	6,982,683	6,966,007	6,544,123	16,676	438,560	19,869,046	19,835,199	23,413,630	33,847	(3,544,584)				
					Cash Flows From Financing Activities														
-	-	-	-	-	Capital Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	Proceeds New Borrowing	-	-	-	-	-	-	-	18,735,000	-	(18,735,000)				
-	-	-	-	-	Interest Payments	(5,348)	(5,348)	-	-	(5,348)	(14,961,924)	(14,956,576)	(13,321,283)	(5,348)	(1,640,641)				
-	-	-	-	-	Principal Payments	-	-	-	-	-	-	-	(18,735,000)	-	18,735,000				
-	-	-	-	-	Net Cash Provided by (Used in) Financing Activities	(5,348)	(5,348)	-	-	(5,348)	(14,961,924)	(14,956,576)	(13,321,283)	(5,348)	(1,640,641)				
					Cash Flows from Capital and Related Activities														
225,002	213,250	41,593	11,752	183,409	Non-Operating Revenues	486,316	470,795	192,446	15,521	293,870	569,460	565,000	1,312,835	4,460	(743,375)				
-	-	-	-	-	Project Reimbursement	-	-	-	-	-	-	1,645,000	372,527	(1,645,000)	(372,527)				
3,500	-	-	3,500	3,500	Non-Operating Expenses	(258,931)	(262,431)	(255,780)	3,500	(3,151)	(524,862)	(516,200)	(792,212)	(8,662)	267,350				
(425,977)	(823,000)	(332,213)	397,023	(93,764)	Capital Expenditures	(1,391,098)	(1,751,957)	(1,319,587)	360,859	(71,511)	(3,243,957)	(4,845,000)	(7,853,989)	1,601,043	4,610,032				
(197,475)	(609,750)	(290,620)	412,275	93,145	Net Cash Provided By (Used In) Capital and Related Activities	(1,163,713)	(1,543,593)	(1,382,921)	379,880	219,208	(3,199,359)	(3,151,200)	(6,960,839)	(48,159)	3,761,480				
					Cash Flows From Investing Activities														
-	-	-	-	-	Investments Converting To Cash	-	-	-	-	-	-	-	4,000,000	-	(4,000,000)				
-	-	-	-	-	Purchased Investments	-	-	-	-	-	-	-	-	-	-				
115,833	115,000	63,481	833	52,352	Interest Income	444,659	442,828	259,240	1,831	185,419	792,828	400,000	1,047,630	392,828	(254,802)				
115,833	115,000	63,481	833	52,352	Net Cash Provided By (Used In) Investing Activities	444,659	442,828	259,240	1,831	185,419	792,828	400,000	5,047,630	392,828	(4,254,802)				
1,007,472	593,431	1,119,368	414,041	(111,896)	FUND NET CASH FLOWS	6,258,281	5,859,894	5,420,442	398,387	837,839	2,500,591	2,127,423	8,179,138	373,168	(5,678,547)				
					DEBT SERVICE RATIO														
1,813,876	1,809,133	1,251,368	4,743	562,508	Total Cash Available For Debt Service	9,185,109	9,159,280	8,030,841	25,829	1,154,268	20,833,142	20,421,285	21,521,372	411,857	(688,230)				
1,246,381	1,246,381	1,087,310	-	159,071	Debt Service	6,231,905	6,231,905	4,349,240	-	1,882,665	14,956,576	14,956,576	13,047,722	-	1,908,854				
1.46	1.45	1.15	0.00	0.30	DSCR	1.47	1.47	1.85	0.00	(0.37)	1.39	1.37	1.65	0.03	(0.26)				

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - CITY DIVISION
MAY 2019

FORECAST VARIANCES - MONTH

INCOME STATEMENT	Actual	Forecast	Variance	Comments
Operating Revenues				
Charges For Services	3,146,960	3,148,965	(2,005)	
Rent	-	-	-	
Other Income	44,756	38,309	6,447	
Total Operating Revenues	<u>3,191,716</u>	<u>3,187,274</u>	<u>4,442</u>	
Operating Expenses				
Salaries and Wages	413,757	407,420	(6,337)	
General and Administrative	583,425	584,610	1,185	
Utilities	390,940	386,605	(4,335)	
Materials and Supplies	159,126	158,227	(899)	
Miscellaneous Services	132,879	137,231	4,352	
Treatment & Transportation	-	-	-	
Depreciation and Amortization	490,000	490,000	-	
Total Operating Expenses	<u>2,170,127</u>	<u>2,164,093</u>	<u>(6,034)</u>	
Operating Income	<u>1,021,589</u>	<u>1,023,181</u>	<u>(1,592)</u>	
Non-Operating Revenues (Expenses)				
Tapping and Capital Recovery fees	213,832	208,000	5,832	
Meter Sales	-	-	-	
Inspection and Plan Reviews	7,075	5,250	1,825	
Project Reimbursements	-	-	-	
Interest Income	115,833	115,000	833	
Other Income	4,095	-	4,095	
Interest Expense	(1,460,584)	(1,465,000)	4,416	
Other Expense	(8,475)	-	(8,475)	
Total Non-Operating Revenues (Expenses)	<u>(1,128,224)</u>	<u>(1,136,750)</u>	<u>8,526</u>	
Net Income Before Capital Contributions	<u>(106,635)</u>	<u>(113,569)</u>	<u>6,934</u>	
Capital Contributions	<u>-</u>	<u>-</u>	<u>-</u>	
NET INCOME	<u>(106,635)</u>	<u>(113,569)</u>	<u>6,934</u>	Higher operating and non-operating revenues to offset slightly higher operating expenses

FORECAST VARIANCES - MONTH

CASH FLOW STATEMENT	Actual	Forecast	Variance	Comments
Cash Flows From Operating Activities				
Operating Revenues	3,191,716	3,187,274	4,442	
Operating Expenses (ex D&A)	(1,680,127)	(1,674,093)	(6,034)	
Non-Cash Working Capital Changes	(422,475)	(425,000)	2,525	
Net Cash Provided by (Used in) Operating Activities	<u>1,089,114</u>	<u>1,088,181</u>	<u>933</u>	
Cash Flows From Financing Activities				
Capital Contributions	-	-	-	
Proceeds New Borrowing	-	-	-	
Interest Payments	-	-	-	
Principal Payments	-	-	-	
Net Cash Provided by (Used in) Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>	
Cash Flows from Capital and Related Activities				
Non-Operating Revenues	225,002	213,250	11,752	
Project Reimbursement	-	-	-	
Non-Operating Expenses	3,500	-	3,500	
Capital Expenditures	(425,977)	(823,000)	397,023	Lower Capex - timing
Net Cash Provided By (Used In) Capital and Related Activities	<u>(197,475)</u>	<u>(609,750)</u>	<u>412,275</u>	
Cash Flows From Investing Activities				
Investments Converting To Cash	-	-	-	
Purchased Investments	-	-	-	
Interest Income	115,833	115,000	833	
Net Cash Provided By (Used In) Investing Activities	<u>115,833</u>	<u>115,000</u>	<u>833</u>	
FUND NET CASH FLOWS	<u>1,007,472</u>	<u>593,431</u>	<u>414,041</u>	Lower capex

CASH & INVESTMENT SUMMARY
MAY 2019
YTD CHANGES IN CASH BALANCES

	Suburban Water	Suburban Wastewater	City Division
CURRENT MONTH			
CASH			
Operating	11,248,752.84	4,719,092.33	17,888,312.17
Capital	4,978,675.69	6,887,686.53	43,296.40
Restricted	1,576,648.72	337,713.08	40,548,857.83
Escrow	4,948,104.25	-	6,361.43
Total Cash	<u>22,752,181.50</u>	<u>11,944,491.94</u>	<u>58,486,827.83</u>
INVESTMENTS			
Operating	2,133,021.19	-	-
Capital	2,164,267.24	8,218,723.82	-
Restricted	25,525.94	-	3,940,640.00
Total Investments	<u>4,322,814.37</u>	<u>8,218,723.82</u>	<u>3,940,640.00</u>
TOTAL CASH & INVESTMENTS	<u>27,074,995.87</u>	<u>20,163,215.76</u>	<u>62,427,467.83</u>
BEGINNING OF YEAR			
CASH			
Operating	8,283,969.69	5,314,951.71	18,017,729.33
Capital	5,772,084.72	7,739,379.19	42,935.90
Restricted	1,564,965.39	337,562.23	34,161,520.50
Escrow	4,990,657.44	-	6,361.22
Total Cash	<u>20,611,677.24</u>	<u>13,391,893.13</u>	<u>52,228,546.95</u>
INVESTMENTS			
Operating	3,356,991.39	-	-
Capital	3,426,629.74	6,455,704.16	-
Restricted	25,521.88	-	3,940,640.00
Total Investments	<u>6,809,143.01</u>	<u>6,455,704.16</u>	<u>3,940,640.00</u>
TOTAL CASH & INVESTMENTS	<u>27,420,820.25</u>	<u>19,847,597.29</u>	<u>56,169,186.95</u>
YTD CHANGE IN BALANCES			
CASH			
Operating	2,964,783.15	(595,859.38)	(129,417.16)
Capital	(793,409.03)	(851,692.66)	360.50
Restricted	11,683.33	150.85	6,387,337.33
Escrow	(42,553.19)	-	0.21
Total Cash	<u>2,140,504.26</u>	<u>(1,447,401.19)</u>	<u>6,258,280.88</u>
INVESTMENTS			
Operating	(1,223,970.20)	-	-
Capital	(1,262,362.50)	1,763,019.66	-
Restricted	4.06	-	-
Total Investments	<u>(2,486,328.64)</u>	<u>1,763,019.66</u>	<u>-</u>
TOTAL CASH & INVESTMENTS	<u>(345,824.38)</u>	<u>315,618.47</u>	<u>6,258,280.88</u>
CASH WITHOUT ESCROW	<u>2,183,057.45</u>	<u>(1,447,401.19)</u>	<u>6,258,280.67</u>

Lehigh County Authority

System Operations Review - May 2019

Presented: June 24, 2019

<u>Critical Activities</u>	<u>System</u>	<u>Description</u>	<u>May-19</u>	<u>2019 Totals</u>	<u>2018 Totals</u>	<u>Permit</u>
			<u>Daily Avg (MGD)</u>	<u>Daily Avg (MGD)</u>	<u>Daily Avg (MGD)</u>	<u>Daily Max (MGD)</u>
Water Production	Allentown	Total	21.86	21.44	21.48	39.0
		Schantz Spring	7.89	7.97	6.90	9.0
		Crystal Spring	3.88	3.88	3.88	4.0
		Little Lehigh Creek	10.09	9.58	10.69	30.0
		Lehigh River	0.00	0.01	0.02	28.0
	Central Lehigh	Total	11.21	9.54	9.46	19.04 MGD Avg
		Feed from Allentown	7.20	7.05	6.74	7.0 MGD Avg 10.5 MGD Max
		Well Production (CLD)	4.01	2.49	2.71	8.54 MGD Avg
		Sum of all (12) other Suburban Water Systems	0.18	0.18	0.18	1.71 Sum of all wells
Wastewater Treatment		Kline's Island	47.46	41.61	36.08	40.0
		Pretreatment Plant	7.76	6.33	5.46	5.75 (design capacity)
		Sum of all (5) other Suburban WW Systems	0.14	0.20	0.20	0.36
			<u>May-19</u>	<u>2019 Totals</u>	<u>2018 Totals</u>	<u>2017 Totals</u>
Precipitation Totals (inches)			9.10	26.19	66.96	50.18
Compliance Reports Submitted to Allentown			17	137	285	291
Notices of Violation (NOVs)		(Allentown + Suburban)	0	1	1	3
Sanitary Sewer Overflows (SSOs)/Bypasses		(Allentown + Suburban)	4	20	78	22
Main Breaks Repaired		Allentown	3	16	33	19
		Suburban	0	3	23	12
Customer Service Phone Inquiries		(Allentown + Suburban)	2,033	10,375	26,440	27,313
Water Shutoffs for Non-Payment		(Allentown + Suburban)	160	688	1,838	1,577
Injury Accidents		(Allentown + Suburban)	2	5	14	8
Emergency Declarations		Allentown	0	(1) @ \$15,176	(5) @ \$76,469	(2) @ \$51,235
		Suburban	0	(1) @ \$19,335	(1) @ \$21,197	(1) @ \$72,554
<p>Significant Repairs/Upgrades: On May 31, 2019, Allentown was having trouble maintaining water levels in the 150,000 gallon Halstead Tank. Levels were dropping despite both pumps running at maximum. The D/C department spent (12) hours searching for a leak, which turned out to be a 1.5" hole on a 4" pipe. The leak was isolated and repaired, and with only 3' of water left in the 70' tall tank. If the tank had emptied, we would have had to issue a Boil Water Notice.</p>						
<p>Description of NOVs and/or SSOs: There were three bypasses in May, 2019. Two occurred at Heidelberg Heights, the first on 5/12/19 and the second on 5/20/19. One bypass occurred at Lynn Township WWTP on 5/19/19. Also, one bypass occurred at KIWWTP on 4/29/19 and was accidentally omitted from the April Report. The KIWWTP bypass was the result of a contractor error that cut off main power to the plant and by the time power was restored, a small bypass occurred. There was one SSO in May, happening in Allentown on 5/15/19. There were no NOVs issued to LCA during May, 2019.</p>						
<p>Other Highlights: The Carbon Dioxide feed system at the Allentown Water Plant is 100% operational. The water plant finally has the ability to lower the process water pH into the optimum treatment range.</p>						

Western Lehigh Interceptor High Flow Emergency Project

Status as of 6/10/2019

WORK PROGRESS SUMMARY

<u>Phase 1</u>	MH Start Point	U84-7
	MH End Point	U6
	CCTV Work Status	Complete
	Construction Start Date	3/25/2019
	Construction End Date	5/24/2019
	Status as of 5/31/2019	Work on Phase 1 is COMPLETE!

Phase 1 Summary:

7,115' of 24" sanitary sewer was CCTV'd

93 Manholes were checked

38 joints were air-tested, and 16 of them were grouted

Approximately 5 cubic yards of sediment was removed

Initial estimates show that ~70 GPM of infiltration was removed by addressing all the defects. That equates to 100,800 GPD.

Phases 2-6

CCTV work is complete from U6 to L55 except for the following:

L299-L297 and L293-L288

L270-L255A not done yet (bypass needed)

Phases 2 and 3 Construction Agreement (SPS) is in-progress

Phase 3 Bypass Contract (Xylem) being finalized

No remediation work has begun yet in Phases 2-6.

The WLI Emergency Project had a two week shutdown from 5/25/2019 through 6/9/2019. During this time, flow monitoring continued without use of the FEB. Between all of the FEB and SCPS usage, metering of flow in the project area has been somewhere between difficult to impossible. The objective of the project shutdown between Phases 1 and 2 was so flow metering could be done under typical flow patterns.

Weather has served to severely disrupt this project, particularly during May when over 9" of rain was recorded locally. There were several weeks in May where no remediation work at all was done, and 100% due to the weather. Phase 2 will still require use of the FEB as did Phase 1. The FEB must be allowed to drain the day after withholding so even in a good weather week, remediation will only take place on Monday/Wednesday/Friday. That means that even during dry weeks, Phases 1 and 2 will only have 3 day work weeks by design.